

DEPARTMENT OF INSURANCE

ADMINISTRATION AND LICENSING SERVICES BRANCH
300 CAPITOL MALL, SUITE 1600
SACRAMENTO, CA 95814
(916) 492-3381
(916) 322-1941 (FAX)
www.insurance.ca.gov



DATE: April 1, 2003
TO: All Property & Casualty Insurers
SUBJECT: VEHICLE ASSESSMENT INVOICES

The purpose of this enclosure is to remind you of the payment requirements, timing of payment and invoice certification to ensure full compliance with Title 10 California Code of Regulations Sections 2698.60 et. seq., 2698.68 et. seq., and 2698.70 et. seq., pertaining to vehicle assessments.

Please complete the information requested on the payment coupon. The following reminders are to assist you in this process:

- **Payment Calculation:** Each calendar quarter shall be calculated by identifying the number of vehicles (commercial and private passenger) in this state for which a policy of insurance was in force as of the first day of the quarter, plus the number of vehicles for which a new policy had been issued at any time during the quarter.

Calculate your total payment due by multiplying one-fourth of the current annual fee of \$1.80 per vehicle (\$0.45) by the total number of vehicles.
- **Vehicle Definition:** Insured vehicles shall include both commercial and private passenger vehicles, including vehicles insured through the California Automobile Assigned Risk Program. Section 670 of the California Vehicle Code defines a vehicle as a device by which any person or property may be propelled, moved, or drawn upon a highway, excepting a device moved exclusively by human power or used exclusively upon stationary rails or tracks. For example: insured motor homes and trailers are to be included in the private vehicle count.
- **Invoice Due Date:** Invoice certification and payment are due within thirty (30) days of the invoice date. Assessments paid after forty-five (45) days of the invoice date will be charged a late fee in accordance with California Insurance Code Section 12995. Future invoices will be mailed to insurers on or about 15 days prior to the end of each quarter.
- **Invoice Certification Sign and Return:** Invoice certifications must be returned, even if the insurer had no insured vehicles for the assessed calendar quarter. The signature of an Officer of the insurer, "I certify under penalty of perjury, pursuant to the laws of the State of California, that the foregoing is true and correct" has been added to the invoice.
- **Examination of Insurer Records:** The Commissioner may request verification of the number of vehicles insured under a policy of insurance. Pursuant to California Insurance Code Section 730, the Commissioner has begun examining insurers' records for vehicle assessment payment accuracy and compliance during financial and market conduct examinations.

Should you have any questions, please call either Staci Fukuoka at (916) 492-3237 or Tanya Kendrick at (916) 492-3206 or e-mail fukuokas@insurance.ca.gov and kendrickst@insurance.ca.gov respectively for a response to your inquiry.